THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI O. RAJAGOPAL): (a) to (c) the issue of Public-Private Partnership for urban infrastructure development was discussed at the Conference of Ministers of Urban Development, Local Self Government & Housing of States/Union Territories held at New Delhi on 12.9.2002.

As per the India Infrastructure Report brought out and published in 1996 by National Council of Applied Economic Research (NCAER), New Delhi, the investment required for urban infrastructure (water supply, sanitation and roads) is Rs. 28,036 crores per year on an average during 1996-2006. It assessed availability of funds in 1995 as approximately Rs. 5,000 crores (for water supply & sanitation only).

In order to bridge the resource gap the Government has initiated reform measures in the development of urban infrastructure. Three new tools, namely, Urban Reforms Incentive Fund, City Challenge Fund and State Pooled Finance Development Fund have been proposed in the Finance Minister's budget speech of 2002-03 in order to make cities creditworthy for accessing capital market and also ensuring private sector participation.

Investments by HUDCO

592. SHRI V. V. RAGHAVAN
SHRI J. CHITHARANJAN:

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Economic Times, dated 10th October, 2002 regarding investments being made by Housing and Urban Development Corporation (HUDCO) in companies with doubtful ability to repay; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION (SHRI O. RAJAGOPAL): (a) Yes, Sir.

(b) The information is being collected.